

RHODE ISLAND HOUSING AND MORTGAGE FINANCE CORPORATION
RULES AND REGULATIONS OF THE CORPORATION
APPLICABLE TO THE RENTAL HOUSING CAPITAL IMPROVEMENT
PROGRAM

SECTION 1: PROGRAM PURPOSES

1.1 Program Purposes and Objectives. Rhode Island Housing and Mortgage Finance Corporation (the “Corporation” or “RIH”), hereby promulgates Rules and Regulations (the “Regulations”) applicable to the Rental Housing Capital Improvement Program (“RHCIP”). The primary purpose of the RHCIP is to fund necessary capital improvement work in Low Income Housing Tax Credit (LIHTC) developments in the Corporation’s portfolio. RIH has been designated the state tax credit allocating agency by the Internal Revenue Service. These Rules and Regulations set forth criteria established to determine the method by which the Corporation will allocate RHCIP funds.

SECTION 2: CONSTRUCTION OF RULES AND REGULATIONS

2.1 Definitions. As used in these Regulations:

2.2.1 “Act” means the Rhode Island Housing and Mortgage Finance Corporation Act more particularly set forth in Chapter 55 of Title 42 of the Rhode Island General Laws of 1956 as amended.

2.2.2 “Board of Commissioners” or “Board” means the Board of Commissioners of the Corporation.

2.2.3 “Corporation” or “Rhode Island Housing” means Rhode Island Housing and Mortgage Finance Corporation, a public corporation organized and existing under the Act.

2.2.4 “Development” means a site or an entire building, or two or more buildings, together with the site or sites on which the building or buildings are located, that are under common ownership, management, and were financed with Low Income Housing Tax Credits.

SECTION 3: ALLOCATION OF FUNDS

3.1 Eligible Properties. Generally, eligibility for RHCIP funds is limited to properties financed with LIHTC’s. Funds will be made available both for critical maintenance items as well as aesthetic improvements that can improve

the quality of life for residents. Owners must be in good standing with the Corporation in order to apply for funds.

3.2 Inspection Process. On a monthly basis, all housing developments financed with LIHTCs are inspected by Corporation staff for compliance with all applicable rules and regulations. Reports are issued monthly and identify all physical conditions that need addressing. Upon implementation of the RHCIP program, these reports will highlight the necessary work and require a written plan for addressing these items from the management agent within 90 days of receipt of the report. If a management agent does not provide a written plan within the time frame, RIH will hold the management fee until such time that there is an acceptable plan in place. It is anticipated that management agents will establish plans to address the work but will not always be able to identify resources for carrying the plan out. In these situations, the owner will be encouraged to apply for RHCIP funds.

3.3 Application Requirements: Applications will be accepted on a rolling basis. Management agents/owners will be eligible to apply to RHCIP only when a plan has been formulated and approved by RIH. The application must include: general information about the property and the owner, a description of the proposed scope of work, identification and evidence of other funding where applicable, terms of the assistance required, among other things.

3.4 Application Awards: The Corporation will make the determination of how much funding, if any, the development shall receive. Funds will be allocated based on the soundness of the rehabilitation plan, the availability of other sources to fund the necessary work and the severity of the disrepair, among other factors.

SECTION 4. PROGRAM ADMINISTRATION

4.1 Scope of Work. Corporation staff will work with the owner to determine that the scope of work outlined in the application phase is comprehensive and addresses all necessary work. Staff may require a Capital Needs Assessment be done if necessary.

4.2 Contracting. The owner may be required to bid out the scope of work to a minimum of three qualified bidders.

4.3 Funding Terms. Funds will be available in the form of both loans and grants depending on the ability of the development to support additional debt. The applicant will request funds and the Corporation will make a determination of the terms on a case-by-case basis.

4.3 Release of Funds. Funds will be distributed to contractors as work is completed and approved by Corporation staff or a third party.

SECTION 5. MISCELLANEOUS

5.1 Monitoring. To ensure compliance with these Rules and Regulations, the Corporation may conduct site visits and inspections and may require reports and information to document compliance with these regulations.

5.2 Modification of Proposals. In awarding funds to eligible applicants, the Corporation reserves the right to modify, amend, or reduce funding or the scope of activities as proposed in the application.

5.3 Additional Requirements. The Corporation reserves the right to supplement any of the foregoing guidelines and requirements from time to time by Program Bulletin.